Discount Store News

PRODUCT MOVEMENT AUDIT

Lower-Priced

(Continued from page 11)

economy.

Corning Glass for the first time has taken both Corelle and Expressions off allocation; it could be a sign that the manufacturer expects a slight slowing up in movement.

Corning will offer this fall a price special for the first time on Corelle 5-pc. completer sets, another indication that the manufacturer feels the need to maintain volume.

Glassware presents a mixed situation for retailers. The seasonal movement resulted in Libbey's 17-oz. iced-tea glass in the Tawny Swirl pattern showing up as No. 12.

Anchor Hocking's 24-pc. sets in the Newport Gold and Newport Crystal patterns were Nos. 1 and 2 because of their value as low-priced sets for summertime entertaining.

But, glassware sales overall slowed down and manufacturers reported lower production, so supply shortages may develop for the Christmas gift period.

A number of categories have maintained steady sales. The bath shop is one example, due to the fact that consumers fix up their homes in bad times because they have the time; economically, it's less costly than buying new quarters.

The bath shop fix-up has resulted in step-up goods also capturing sales—witness the four Hanson scales on the chart with models in wicker in brown and white at just over $14 each as Nos. 3 and 7.

Cleaning-and-chemical sales have been very good despite the economy, as homemakers, to save money, are doing such laborious tasks as cleaning their own rugs. Glamorene's 24-oz. Spray 'n Vac was No. 10 while Airwick's 14-oz. Carpet Fresh was No. 18.

The sharper pricing from plastics manufacturers doesn't mean that they have stopped their step-up push. The two top-selling items were a Lustro-Ware 24-gal. trash can and a

(Continued on page 13)

Dayton Hudson Approves Grants

MINNEAPOLIS—The Dayton Hudson Foundation has approved $3.5 million of its 1980 $10.3 million budget for quarterly grants to communities served by the Dayton Hudson Corporation, based here.

Primary grants went to the Minneapolis YMCA ($1.2 million toward capital and inner-city programs); Macalester College in St. Paul ($1 million for the college's capital fund drive), and the Boise Forte Indian Reservation Business Committee in Orr, Minn. ($166,650 to underwrite a three-year program for economic development, which includes a multiservice center for residents).

The remainder was divided into 65 grants between $493 and $12,000 and distributed in 14 states.

HOUSEWARES

(Continued from page 11)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
3	Swing-A-Way hand can opener, jr portable	3,492	1.39	4,853.88
4	Range Kleen 6" reflector bib	2,376	1.96	4,656.96
5	Frigidaire ice cube tray	3,312	1.36	4,504.32
6	Range Kleen 8" reflector bib	1,848	2.35	4,342.80
7	Ekco small nylon turner, black handle	3,162	1.32	4,173.84
8	E-Z Foil oven liner	3,060	1.29	3,947.40
9	Ekco small nylon pancake turner, black handle	3,012	1.31	3,945.72
10	Foley measuring cup set	1,098	3.58	3,930.84
11	Foley 18" rolling pin	960	4.09	3,926.40
12	Foley 16¼" rolling pin	1,512	2.56	3,870.72
13	Foley 2-qt food mill	582	6.41	3,730.62
14	Gemco food chopper	2,322	1.60	3,715.20
15	Ekco paring knife	3,420	1.05	3,591.00
16	Foley 3-cup sifter	1,920	1.86	3,571.20
17	Ekco paring knife, carbon steel	2,568	1.30	3,338.40
18	E-Z Foil electric burner bibs	3,744	0.88	3,294.72
19	Ekco can opener w/bottle opener	4,623	0.88	3,288.72
20	Springfield oven thermometer	2,058	1.47	3,025.26

PLASTICS

1	Lustro-Ware 24-gal trash can, green	3,168	11.38	36,051.84
2	Fesco 32-gal trash can, avocado	1,254	11.30	14,170.20
3	Lustro-Ware 9-qt rect waste basket	7,956	1.69	13,445.64
4	Lustro-Ware 24-gal domed trash can	888	12.59	11,179.92
5	Fesco 24-gal trash can, avocado	1,494	7.08	10,577.52
6	Lustro-Ware 11-qt heavy duty pail	6,192	1.69	10,464.48
7	Lustro-Ware 44-qt rect waste basket	2,544	4.03	10,252.32
8	Lustro-Ware 12-gal container, spring top	1,416	6.97	9,869.52
9	Fesco 1½-bush round wicker basket	3,942	2.45	9,657.90
10	Alabaster 30-oz tumbler	24,648	0.38	9,366.24
11	Fesco 40-gal round basket, gold	2,136	2.97	6,343.92
12	Fesco 40-gal round basket, avocado	2,064	2.97	6,130.08
13	Fesco 38-qt No-Hands can	906	6.65	6,024.90
14	Lustro-Ware oval laundry basket	2,040	2.87	5,854.80
15	Lustro-Ware 44-qt container, fliptop	1,008	5.75	5,796.00
16	Fesco 1½-bush octangle basket, yellow	1,968	2.93	5,766.24
17	Lustro-Ware 4-pc bowl set w/cover, yellow	2,016	2.83	5,705.28
18	Lustro-Ware 1-gal decanter	2,712	2.02	5,478.24
19	Fesco 1½-bush octangle basket, green	1,866	2.91	5,430.06
20	Fesco 56-qt waste bin, avocado	1,146	4.58	5,248.68

CLEANING CHEMICALS

1	Stick Goods 8" Roll-O-Matic mop	7,428	6.76	50,213.28
2	Glamorene 16-oz Plush dry cleaner	13,440	2.02	27,148.80
3	Murphy 32-oz liquid soap	15,036	1.75	26,313.00
4	Purex 147-oz heavy duty detergent	5,475	4.68	25,623.00
5	Purex 22-oz Sweetheart dish liquid	48,468	0.52	25,203.36
6	Texize 32-oz Fantastic spray	18,372	1.13	20,760.36
7	3M 16-oz Scotch Guard	5,928	3.44	20,392.32
8	Johnson 46-oz Future	5,070	3.85	19,519.50
9	Bissell aerosol upholstry shampoo kit	6,672	2.72	18,147.84
10	Glamorene 24-oz Spray 'n Vac	7,980	2.27	18,114.60
11	Texize 32-oz Glass Plus refill	19,044	0.94	17,901.36
12	Drackett 32-oz Windex, refill	17,952	0.97	17,413.44
13	Johnson 27-oz Future	6,468	2.65	17,140.20
14	D-Con Four Gone, single pack	6,840	2.50	17,100.00
15	Drackett corn broom, Light & Easy	4,218	3.82	16,112.76
16	Johnson 14-oz Lemon Pledge	8,364	1.92	16,058.88
17	Drackett broom, Light & Easy	4,800	3.34	16,032.00
18	Airwick 14-oz Carpet Fresh	8,688	1.84	15,985.92
19	Texize 32-oz Glass Plus spray	14,964	1.03	15,412.92
20	Drackett 32-oz Drano, industrial strength	13,092	1.16	15,186.72

BATH SHOP

1	Selfix portable shower spray	1,212	6.66	8,071.92
2	Selfix shampoo spray	4,200	1.50	6,300.00
3	Hanson scale, wicker, brown	404	14.07	5,684.28
4	Ekco 18" towel bar, chrome	3,576	1.47	5,256.72
5	Gray shower caddy, white	2,526	2.03	5,127.78
6	Ekco toilet tissue holder, chrome	3,348	1.44	4,821.12
7	Hanson scale, wicker, white	344	14.01	4,819.44
8	Gray king-size shower caddy, white	1,272	3.49	4,439.28
9	Hanson scale, Princess, white	600	6.87	4,122.00
10	Hanson scale, Princess, gold	592	6.87	4,067.04
11	Ekco 24" towel bar, chrome	2,226	1.79	3,984.54

(Continued on page 13)

Meet Tog-a-Longs® salesmen They're going to make 40 million

Great news! Starting in Spring '81, Tootle the Train,™ Pokey the Puppy,™ the Fuzzy Duckling™ and other lovable characters from Little Golden Books will be featured exclusively on Tog-a-Longs coordinated childrenswear.

These Little Golden Book characters are enormously popular. Over 40 million Little Golden Books are currently sold every year.

Combining Tog-a-Longs' quality and value with Little Golden Books' great popularity creates a line of childrenswear that has tremendous sales potential.

Don't miss this opportunity. For details contact: Quality Mills, Inc., P.O. Drawer 1107, Mount Airy, NC 27030, (919) 789-6161.
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HOUSEWARES

(Continued from page 12)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
12	Ekco 24" twin towel bar, chrome	1,698	2.34	3,973.32
13	Selfix toilet tissue holder, plastic	3,792	1.04	3,943.68
14	Selfix twin hook, 2-pack	4,476	0.84	3,759.84
15	Selfix 24" towel bar, plastic	2,544	1.47	3,739.68
16	Selfix 18" towel bar, plastic	2,772	1.32	3,659.04
17	Ekco 18" twin towel bar, chrome	1,698	2.07	3,514.86
18	Selfix 2 hooks, Moderne	6,456	0.50	3,228.00
19	Ekco 12" towel bar, chrome	2,340	1.37	3,205.80
20	Ekco toilet tissue holder, chrome	2,460	1.29	3,173.40

RUBBERMAID

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	32-gal Refuse container, Roughneck	756	17.86	13,502.16
2	20-gal Refuse container, Roughneck	1,392	9.58	13,335.36
3	Covered wastebasket, chocolate	2,286	4.84	11,064.24
4	Ice cube tray, blue	20,928	0.50	10,464.00
5	Delux dish drainer, orange	2,376	4.03	9,575.28
6	Covered wastebasket, gold	1,920	4.79	9,196.80
7	10¾"-hi Rectangle laundry basket, almond	2,580	3.49	9,004.20
8	10¾"-hi Rectangle laundry basket, choco	2,568	3.49	8,962.32
9	Delux dish drainer, chocolate	2,088	4.03	8,414.64
10	15¾" Drainer tray, gold	2,856	2.93	8,368.08
11	10¾"-hi Rectangle laundry basket, gold	2,400	3.47	8,328.00
12	Delux dish drainer, almond	1,926	4.02	7,742.52
13	15¾" Drainer tray, almond	2,622	2.93	7,682.46
14	10¾"-hi Rectangle laundry basket, orange	2,214	3.46	7,660.44
15	22"-hi covered wastebasket, avocado	1,524	4.70	7,162.80
16	15¾"-hi Drainer tray, chocolate	2,442	2.93	7,155.06
17	Delux drainer tray, avocado	1,752	4.00	7,008.00
18	Delux drainer tray, orange	1,728	4.02	6,946.56
19	10¾"-hi Rectangle laundry basket, avocado	1,926	3.46	6,663.96
20	5¼" deep Dishpan, gold	3,870	1.67	6,462.90

CORNINGWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Microwave browning grill	3,670	16.72	61,362.40
2	Grab "4" It set	3,049	13.23	40,338.27
3	Microwave set	1,059	29.83	31,589.97
4	Cook's Choice set, Wildflower	709	41.82	29,650.38
5	Menu-ette set, Cornflower	1,509	13.64	20,582.76
6	Sidekick	3,682	4.93	18,152.26
7	Open roaster, large, Cornflower	1,051	15.55	16,343.05
8	Grab-It set	2,166	7.28	15,768.48
9	3-qt Casserole, Spice	1,101	13.82	15,215.82
10	Cook's Choice set, Spice	348	42.18	14,678.64
11	6-cup Teapot, Spice	1,248	11.27	14,064.96
12	Kitchen Starter set, Wildflower	475	29.55	14,036.25
13	Menu-ette set, Wildflower	780	17.47	13,626.60
14	2½-qt Shallow casserole, Spice	937	13.43	12,583.91
15	Open roaster, large, Spice	742	16.39	12,161.38
16	Kitchen Starter set, Cornflower	470	25.86	12,154.20
17	10" Microwave cooker w/built-in rack	967	12.38	11,971.46
18	Casser-ette	2,276	4.72	10,742.72
19	6-cup Teapot, Wildflower	831	11.59	9,631.29
20	2-qt Casserole, Spice	805	11.45	9,217.25

PYREX

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3-qt Oblong bake dish w/basket	2,004	10.22	20,480.88
2	4-pc Bowl set w/handle, gold	1,252	9.62	12,044.24
3	4-pc Bowl set w/handle, Autumn Harvest	1,168	9.72	11,352.96
4	3-pc Casserole set, gold	886	10.88	9,639.68
5	2-liter Juice jar	4,182	2.30	9,618.60
6	4-pc Bowl set w/handle, green	920	9.44	8,684.80
7	3-pc Casserole set, Autumn Harvest	768	10.96	8,417.28
8	4-pc Bowl set w/handle, Woodland	836	10.06	8,410.16
9	3-qt Oblong bake dish	2,142	3.92	8,396.64
10	2-qt Casserole w/basket	768	10.28	7,895.04
11	6-cup Percolator	680	9.84	6,691.20
12	3-pc Mixing bowl set	1,320	4.59	6,058.80
13	2-qt Oblong bake dish	1,692	3.56	6,023.52
14	1-cup Liquid measure	3,732	1.51	5,635.32
15	1-pt Liquid measure	2,628	1.99	5,229.72
16	2-qt Bake dish w/basket, Fireside	728	6.99	5,088.72
17	1½-qt Casserole w/basket, Fireside	772	6.20	4,786.40
18	9" Pie plate, white	2,832	1.61	4,559.52
19	8" Square cake dish w/basket, Fireside	640	6.19	3,961.60
20	8" Square cake dish	1,272	3.00	3,816.00

Source: Myron Nickman Distributors

from Little Golden Books®.
sales contacts for you this year.

Discount Store News

PMA® PRODUCT MOVEMENT AUDIT

Lower-Priced

(Continued from page 12)

Fesco 32-gal. trash can, with average retails of $11.38 and $11.30.

One new item made the plastics report: Fesco's 38-qt. No-Hands can as No. 13.

The Rubbermaid market has been a steady growth area for the past two decades. The slowdown isn't a sales decline, but rather a slower rate of overall growth, with some of the manufacturer's lines doing very well. The bath line is one example, but bath items have so far failed to make the Rubbermaid chart because of their lower price as compared to the basic kitchen goods and waste containers.

The slowdown in tabletop movement saw an Oneida 50-pc. flatware set in the Daydream pattern break into the report for the first time as No. 16.

Corning is set to counter the dinnerware slide by introducing Strawberry as a new Expressions pattern, and Dimension IV as a new lower-priced line geared for a new consumer market.

Dimensions IV is designed for small families and couples with a taste for contemporary design and has a number of features attuned to this market. The place settings are just four pieces, with a mug instead of a cup and saucer, while the plates and bowl have a flat rim shade which is the hot dinnerware look in ironstone and stoneware.

In Corning's cookware business, two areas were strong: the French White line, and microwave items, with the browning grill and the microwave set big sellers. The grill was No. 1 in Corning Ware and the set No. 3. Overall in Corning Ware, the microwave items and the cookware designed for single-service use had the greatest unit movement. Grab "4" It set, Sidekick, Grab-It set and Casser-ette all moved over 2,000 units each and ended up as Nos. 2, 6, 8 and 18.

Both clear glass and amber-colored Fireside Purex cookware continued to be strong sellers and Corning has added a new tank just to expand its production of this merchandise. Short supplies have cut into availability and this problem should be solved with the additional production.

Autumn Harvest has started to make an impact in the Pyrex bowl area, showing up on two items, a 4-pc. bowl set as No. 3, and a 3-pc. casserole set as No. 7.

K mart to Aid Daiei

TROY, Mich.—K mart has reached an agreement in principle with Daiei Inc., Japan's largest retailer, to provide assistance in mass merchandising operations.

K mart will train Daiei personnel and provide experienced merchandise executives to the Japanese retailer in exchange for an undisclosed fee, explained K mart board chairman Bernard Fauber.

Hardware Show Section: Pp. 23-59

Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

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Discounters' Biz Up as Sears, Ward, Penney Slump

Nationwide DSN Report

Discounters are tightening their belts and becoming more promotional in response to tough economic times, and it appears the industry has so far been spared the heavy sales losses that have hit the big three mass merchandisers.

A sampling of sales figures for six major discounters indicates that while sales have softened somewhat, most are continuing to rack up significant increases in volume.

Wal-Mart led the list with June sales of $121,000,000—a 25% increase over the volume recorded in June 1979. K mart's sales rose 14% and Jamesway's increased 23%.

But the six chains surveyed averaged a 13.9% sales increase in June, down from the 15.4% increase recorded in May and the 19.2% in January.

By comparison, the big three—Sears, J. C. Penney and Montgomery Ward—reported an average 0.7% decrease in volume. In January the three chains averaged 6.7% in sales growth.

The steps being taken by the discount stores to combat slumping sales are routine. Costs are being cut wherever possible and in many cases margins are being reduced on an increasing number of promotional items. Most chains are also making efforts to increase employee productivity.

Officials of Wal-Mart reported the chain was cutting back slightly on advertising and increasing the amount of in-store promotions.

At Woolco, officials have not cut the advertising budget. But, said a spokesman, the chain will become more promotional by increasing in-store advertising.

Caldor meanwhile has announced it, too, will become more promotional, but officials at the chain said they will avoid "substantial" markdowns on the promotional items.

Spokesmen for the chains surveyed were reluctant to predict what lies ahead and in most cases would not disclose preliminary July sales figures.

At Woolco, however, July figures seem "a bit better" than June, when a 6% increase was recorded.

Roy Garofalo, Woolworth vice president for finance, noted that the improvement may only be illusory, however, and it is too early to tell whether sales will continue to rise.

Adding It Up

"The July figures aren't that great," he explained. "It's just that the June figures were so bad."

Officials of Wal-Mart, the only chain willing to approximate July sales at presstime, said they were "optimistic." July sales were expected to

(Continued on page 4)

Target Aims to Convert Ayr-Way, Make It Profitable

INDIANAPOLIS—After three years of trying to become a high-powered discounter, Ayr-Way may finally succeed—but only as a part of Target Stores.

If the offer by Dayton Hudson (estimated by various sources at $25 million to $30 million) for the 41-unit chain based here is successful it would be the final incarnation for Ayr-Way, which has passed from hand to hand since its founding by the L. S. Ayres Co. department store chain in the mid-60's.

Then, on or about Jan. 1, the Ayr-Way name would be replaced by the Target bull's-eye and name.

At presstime, an agreement in principle was still being reviewed by the Dayton Hudson board of directors and the board of Stephens Inc., the Little Rock, Ark., investment firm which owns 71% of the chain. (The second largest shareholder is Ronald Mayer, Ayr-Way president and ceo, who has 8.1% of the chain. The rest of the stock is owned by a handful of Stephens and Ayr-Way employees, according to Stephens officials.

Executives on both sides expected the agreement to go through within 30 days.

The consolidation has obvious advantages for both sides—although it remains to be seen how quickly Ayr-Way's ROI matches up with the 12% goal Target sets for new stores by their fifth year of operation.

For Target, the acquisition would be an efficient and affordable way to solidify its position against regional com-

(Continued on page 4)

Ayr-Way's Sales and Income History

Fiscal year ended	1976	1977	1978	1979	1980	1981 (projected)
Sales (millions)	$138	$168	$192	$243	$289	$320
Sales growth	5.8%	22.1%	14%	27%	18%	9%
Net income (millions)	$2.9	$1.3	$1.2	$2.5	$2.7	—
Sales per sq. ft.	$61	$71	$77	$86	$84	$94
Net income as % of Sales	2.1%	0.8%	0.6%	1.0%	0.9%	—
No. of stores	28	30	33	35	41	41

4 Lenders to Get Part Of Korvettes' Earnings

Joseph Ris, Korvettes' chairman, ceo, visited the housewares show in Chicago to meet vendors. (DSN photo)

By Arthur Markowitz

DSN Analysis

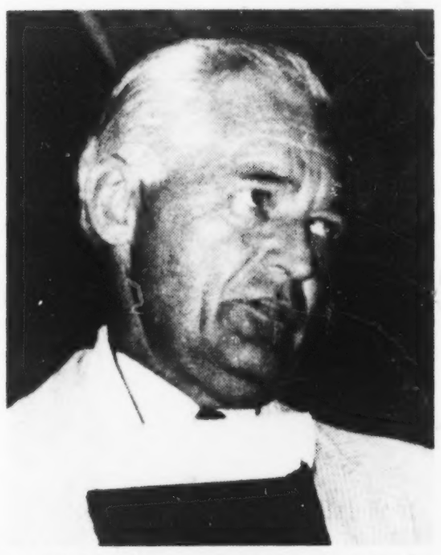
NEW YORK—Korvettes at presstime was set to release its pro forma financial statement that will report on 1979 sales (and an expected loss), along with details of the financial arrangement reached with its four main lenders last month.

A key element of the financial arrangement calls for Korvettes to pay back about $26 million of approximately $57 million owed to three banks and one insurance company, with the four lenders obtaining part or all of the remaining debt, contingent on receiving up to

(Continued on page 4)

To Be Honored at SPARC Banquet

Bennett and Walton Chart the Future



"Wal-Mart's management is in place. My role has become an observer and a listener throughout the company. I counsel, I know what's going on and I'm available—but I'm playing a less and less important role as far as our current operation is concerned."—Sam Walton, founder and chairman of Wal-Mart.

Exclusive DSN Interview

Two of the most successful retailers in the industry, Carl Bennett of Caldor and Sam Walton of Wal-Mart, will be honored during DSN's prehardware show SPARC (Supplier Performance Award by Retail Category) banquet on Sunday, Aug. 10, at Chicago's Marriott Hotel.

Bennett has been named Discounter of the Year by his retailing peers who also selected Walton for the Discounting Hall of Fame. Walton was last year's Discounter of the Year.

Discount Store News: Congratulations to both of you. How does it feel to be singled out by the discount industry?

Bennett: I am very flattered by the thought of being picked by my peers. After 29 years in the business, it's a tremendous honor to be called the Discounter of the Year.

DSN: Sam? What does the Hall of Fame selection mean to you?

Walton: It's one of the most outstanding honors ever accorded me—it may be the *most* outstanding honor. As recognition of the role that I've played in the development of Wal-Mart and of contributions I may have made to the industry as a whole, it's embarrassing. After all, it's not so much what *I've* done as what we've **all** done, together. I hope it's deserved.

DSN: Both Caldor and Wal-Mart have been maintaining good sales-volume growth through the economic slump, with consistent double-digit same-store gains. How have they held up? Have gross margins remained stable? Have you increased advertising, or in-store promotions? Sam?

Walton: We're about 30% ahead through June, about 11% in comparable stores, and our July sales started quite well,

(Continued on page 5)

"Whether I am here or not, Caldor will continue to grow and expand. There are three people within the company qualified to become president. When the time comes for this step, the fresh perspective he brings to the job, I am sure, will make the company that much stronger."—Carl Bennett, president and founder of Caldor.

Bradlees' President Frank Switches To A&S; Levin Takes Over His Duties

BOSTON—Harold Frank, president of Bradlees, has resigned and will be returning to the Abraham & Straus division of Federated (where he began his career) as executive vice president, merchandising and sales promotion.

Robert F. Levin, senior vice president of Bradlees' parent company, Stop & Shop, will assume Frank's duties and the Bradlees executive committee will report to him.

It's a Throwback

"There's a feeling of *deja vu* in this," said Levin, who had served as Bradlees' president prior to Frank's selection, and who was chief executive officer of the chain during the first year of Frank's presidency. In fact, Levin hired Frank, who was at that time executive vice president and general merchandise manager at Federated's Gold Circle division.

No other staff changes are planned at Bradlees, according to Levin. He said that "the best future management structure for the chain" would be studied during his interim management, but that the chain would probably stay with an arrangement similar to what has been in place, and that there will be a new chief executive officer named. No timetable has been established for finding Frank's replacement. "We'll find someone as soon as possible," said Levin, "but we will not rush.

"The six vice presidents that ran Bradlees with Hal Frank will continue to run the chain, reporting to me."

Frank was on vacation out of the country when the news was released, and not available for comment. Levin explained that Frank's motivation in leaving Bradlees was "purely personal," reflecting his desire to return to A&S, where he spent the first 25 years of his career.

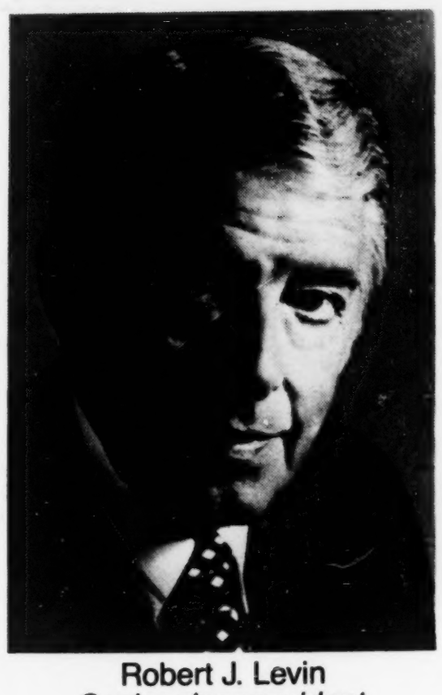
The Background

Frank's position at A&S was unfilled at that chain for years, and his appointment is the first major management move made by A&S chairman and chief executive officer Lasker Meyer, who was named to that position last February. Meyer was said to be seeking a candidate who had extensive knowledge of A&S and its markets.

Bradlees had a flat first quarter. Consumer reluctance to spend on apparel, and price sensitivity in hard lines were blamed by the chain for an operating loss of $2.6 million from the general merchandise divisions during the first quarter.

"June sales were pretty good," said Levin, "but we're finding sales generally very flat, with little vigor. We're not very optimistic for the second quarter, and we're planning conservatively for the back half of the year."

Bradlees operates 85 stores, and plans five openings this year. Manchester and Newington, N.H., stores will open this month, and later this year Bradlees units will open in Elmira and Utica, N.Y., and North Windham, Me.



Robert J. Levin
Senior vice president, Stop & Shop

Harold Frank
Outgoing president, Bradlees

6 of 7 Shut Stores Would Be Sold

Tradeway Hatches Reorganization Plan

INDIANAPOLIS—Attorneys for bankrupt Tradeway of Indiana and for vendors who are owed more than $6 million were meeting at presstime to review the final details of a reorganization plan that could keep the financially plagued chain afloat.

Few details concerning the plan were immediately available, but an attorney representing the vendors said he was "partially optimistic" that the plan would avert the possible liquidation of the chain.

Sigmund Beck, of Bamberger & Feibleman, Indianapolis, said the agreement was worked out after more than seven months of negotiations between all parties in the dispute, and contains plans for the sale of leases at six of the seven Tradeway stores that have been shut down.

Tradeway tried unsuccessfully in July to auction off the leases of the closed stores.

The lease for a 70,000-sq.-ft. store in Anderson, Ind., was purchased by an undisclosed discounter for $505,000 but, said Beck, there were no takers for the remaining six leases.

Failure to sell the leases came as a setback to the discounter, which had predicted that the leases would be sold between April and July 1.

Tradeway filed its Chapter XI proceeding in the Federal Bankruptcy court for the Southern District of Indiana on Dec. 13, 1979.

The filing covers Tradeway of Indiana, its wholly owned Tradeway Distributors subsidiary, and the 14 T-way and Tradeway stores operated by the company in Indiana and Michigan.

Six of the chain's 14 stores were closed within months after the bankruptcy. A seventh was closed in July, Beck said.

Fauber Visibly Pleased as He Inspects K mart's Upgraded Apparel Test Dept.

LODI, N.J.—K mart chairman and chief executive officer Bernard M. Fauber is a merchandiser, and he still enjoys merchandising.

It was obvious in his animation and enthusiasm as he examined, for the first time, K mart's upgraded apparel merchandising test here. His enthusiasm may prompt acceleration of the test program.

Fauber's enormous satisfaction with the apparel test may also prompt him to advance scheduled hard lines merchandising tests, reportedly including an experimental racetrack configuration, at undisclosed sites.

Fauber, executive vice president Robert E. Brewer, K mart Apparel's Arnold Bachman and many other K mart and K mart Apparel executives toured ladies' apparel while Fauber (grinning from ear to ear) explained the fashion presentations and new fixtures, and introduced himself to shoppers and store personnel.

"I hope you've been shopping here many times since the change in the apparel department," Fauber said to one shopper amid laughter. The woman seemed nonplussed to have met the chairman of the chain.

"This fixture is five dollars less per unit than a plain one," Fauber pointed out proudly, indicating a split round and comparing it to a standard round rack.

Fauber also pointed out a western-design blouse to the touring executives, citing the fact that the design was woven into the fabric, rather than printed.

Fauber also made it a point to single out K mart's private label apparel, Changing Scene, saying that the chain was not using the label as much as it could.

The improved quality of goods being added to the K mart mix—the 20% of new merchandise referred to—includes 100% wool lines, more wool blends and more cotton and cotton-blend goods.

One fashion fixture at the front of the department, for ex-

(Continued on page 4)

In This Issue . . .

SHOW TIME. Buyers coming to Chicago for the Hardware Show are going to be rougher customers than ever this year, pushed to extreme caution by rising inflation, unemployment and a generally bleak economic forecast for the second half of this year. That's not to say however, that there won't be any buying this year—there will be. It's just that the retailers will be looking harder at the deals manufacturers are making and maybe shopping the show a little longer before shaking hands on a buy. DSN spotlights the product categories that retailers will be watching closely this year beginning on p. 23.

CAR FARE. The auto department is one area that seems to have escaped the current economic downturn thanks to an increasing consumer demand for fuel-saving products. DSN's market outlook on discounters' TBA departments begins on p. 62.

SECURITY SURVEY. Nearly half of the shoplifters apprehended in southern California discount stores are never prosecuted. But a store security consulting firm doesn't think that's such bad news. A study they conducted of 1,440 shoplifting cases shows why. (P. 12.)

TELEPHONING, RETAIL STYLE. In this issue's Discount Management Development lesson, Michael G. Mayo, a senior consultant for Touche Ross & Co., analyzes retailer telephone systems, highlighting recent technological advances. (P. 69.)

NEW LOOKS. DSN spotlights the new approach Caldor took in merchandising presentation in the housewares and apparel departments of its downtown Stamford and Norwalk, Conn., stores. (P. 19.) For a closer look at Jefferson's approach to discounting—in its five new Philadelphia-area stores—turn to p. 17.

Departments

Advertising News 78
At the Source 34,35,70
Classified 79-81
Discounter Management Development Series 69
Editorial 6
Executive Changes 76
Market Outlook
Automotive 62
Pilferage Prevention 68
Product Movement Audit
Electric Housewares 20
Hardware 36,48
Washington Beat 6

Spotlight on: Hats

To the Head Of the Class

Hats of all shapes and sizes, many with western styling, get this full-gondola treatment in Cook's newest store on Taft Road, Syracuse. Upstate New York, while not a sagebrush and saddle market, has more than its share of western movie fans, country music afficionados and pickup trucks—and western wear is as popular there as it is in any market.

The sign offers 25% savings on men's western straws at $1.99 to $7.59 tied into the chain's "Yes You Can" advertising theme. The angled mirror atop the display offers convenient viewing.

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